

**COMMITTEE ON GOVERNMENT REFORM**  
**SUBCOMMITTEE ON GOVERNMENT EFFICIENCY AND FINANCIAL MANAGEMENT**  
**TODD PLATTS, CHAIRMAN**



**MEDIA ADVISORY**

**For Immediate Release**  
**March 31, 2003**

**Contact: Mike Hettinger**  
**(202) 225-3741**

***A Look Into the Future of Government Financial Management***  
**Second in Series of Hearings on the "President's Management Agenda"**

**What: Government Reform Committee Subcommittee Oversight Hearing on  
"Performance, Results, and Budget Decision"**

**When: Tuesday April 1, 2003, 2:00pm**

**Where: Room 2154, Rayburn House Office Building**

**Background:**

The hearing will focus on the use, effectiveness and future of the Government Performance and Results Act (GPRA) and the Performance Assessment Rating Tool (PART). The subcommittee will examine whether GPRA and PART have helped achieve fundamental management improvement in the Federal government and whether these tools provide the kind of information that is needed to make performance based budgeting decisions.

GPRA directs agencies to develop long-term goals and strategic plans, to set specific annual performance goals, and to report annually on whether they achieved those goals. To ease its implementation, Congress phased-in GPRA over seven years and tested the law through the use of pilot projects. To ease its implementation, Congress phased GPRA in over seven years and tested the law through the use of pilot projects. Beginning in 1997, agencies transmitted to Congress and to the Office of Management and Budget (OMB) their long-range strategic plans, which are updated every three years. Starting with the fiscal year 1999 budget, agencies began to transmit their annual performance plans and performance goals. Finally in 2000, agencies submitted their first performance reports that compared their actual performance to the goals set in their performance plans. The hearing will examine the performance reports.

In an effort to achieve this goal of basing budget decisions on information about a program or agency's performance, OMB with advice from both private and public sector budget experts developed the Program Assessment Rating Tool (PART). For the fiscal year 2004 budget, OMB used the PART to rate 234 Federal programs, representing over 20% of all Federal funding. The PART is a valuable tool and the Administration should be applauded for undertaking this important initiative.

However, many questions about the PART remain. It is still unclear how programs were selected for assessment or what impact the assessments had on their proposed funding levels. Furthermore, there is some concern that the PART should be used to compare and contrast programs that perform similar functions rather than just analyzing programs individually. Finally, it is unclear how the PART assessments relate to agency performance plans and reports required by GPRA, which is mandated by public law unlike PART, which is an OMB initiative.

The hearing will focus on the following:

- How does the PART analysis work?
- What is the relationship between GPRA and PART?
- How does the President's Executive Management Scorecard complement PART and/or GPRA?
- Why did more than 50% of the programs rated receive a rating of "results not demonstrated" on the PART analysis?
- What effect did PART scores have on the suggested funding levels for the programs rated in the fiscal year 2004 budget?
- How can GPRA and PART be altered to produce tangible improvements in agency and program performance?

This is the second in a series of oversight hearing on the "President's Management Agenda." The Committee will continue to seek solutions in making the federal government more efficient and to save the taxpayers through oversight of its programs, services and new technology.

**Witnesses:**

**The Honorable Donna McLean**, Chief Financial Officer, Department of Transportation; **Paul Posner**, Director, Strategic Issues, General Accounting Office; and **Maurice McTigue**, Director, Government Accountability Project, Mercatus Center, George Mason University.

###